

will not repeat all those things. The translation of all this for our colleagues is—although I am not making the announcement—that I presume there will be no further formal action in the Senate tonight or tomorrow but that we will be laying down a modification of the amendment that was filed that would include modifications to the perimeter rule and perhaps other matters.

We will have an opportunity to discuss that tomorrow, and there will be some opportunity to discuss that Monday, for those who perhaps have already left. In particular, I know some of my colleagues will not return until around 4:30 in the afternoon. I am not going to propound a unanimous-consent request, but I hope, in consultation with the two leaders, we could work out an arrangement whereby at least some of the time on Monday can be reserved for a debate on the amendment that will be filed by, presumably, Senator HUTCHISON, myself, Senator ENSIGN and others and that part of that time will also be in the 4:30 to 5:30 timeframe. That is the time the leader has ordinarily set for the first vote, returning on Monday, and presumably there will be a unanimous-consent agreement with the leaders that will reflect the precise understanding of what vote or votes will occur on Monday night and when, but presumably it would fall within that timeframe that is customary.

Just to conclude by saying I hope that as a result of the conversations we have had and will continue to have Monday and tomorrow, that we can lay the foundation for the establishment of a Senate position in the conference committee that would reflect a consensus and perhaps some compromise that would satisfy the interests of all.

We are never going to outdo the fierceness with which both Senator WARNERS—Senator JOHN WARNER, who preceded, and now-Senator MARK WARNER—fight for their constituents and for the interests of two national airports—in a sense representing us all. We certainly appreciate the single-mindedness with which now-Senator MARK WARNER has pursued those interests but also his recognition that obviously times change, there are some needs for other parts of the country, and that through comity and conversation perhaps things can be worked out without having any detriment to anybody. That is obviously the goal we would seek to accomplish.

In any event, we will have an amendment on the floor that can discuss this. Perhaps we will vote on it. In any event, the object will be to vote on final passage of the bill on Monday evening.

Mr. DORGAN. Mr. President, we do not yet have a script with respect to an unanimous consent on the Monday 5:30 vote, but all of us are understanding we want to conclude this legislation Monday, beginning with the 5:30 vote. I think that is a good result.

As Senator HUTCHISON indicated, this is a big bill with many important parts—safety, modernization, so many issues. I am frustrated, as is everybody, in the pace of the Senate. This is the fifth full day on this bill, but Monday at 5:30 we understand we will finally resolve this issue, and it will be good for this country. We will have done some good things passing this bill and getting to a conference with the House.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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#### MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that we proceed to a period of morning business with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

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#### TAX EXTENDERS ACT

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Joint Committee on Taxation document entitled “Estimated Revenue Effects of the Revenue Provisions contained in the ‘American Workers, State and Business Relief Act of 2010,’ as passed by the Senate on March 10, 2010” be printed in the RECORD.

In addition, please let the RECORD reflect that the document entitled “Technical Explanation of the Revenue Provisions Contained in the ‘American Workers, State and Business Relief Act of 2010,’ as passed by the Senate on March 10, 2010” can be found on the Joint Committee on Taxation Web site at <http://jct.gov/publications.html?func=startdown&id=3664>. This document is a contemporary explanation of the legislation that reflects the intentions of the Senate and its understanding of the legislative text.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT COMMITTEE ON TAXATION  
March 10, 2010  
JCX-9-10

ESTIMATED REVENUE EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN  
THE "AMERICAN WORKERS, STATE AND BUSINESS RELIEF ACT OF 2010,"  
AS PASSED BY THE SENATE ON MARCH 10, 2010

Fiscal Years 2010 - 2020

[Millions of Dollars]

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
<b>I. Extension of Expiring Provisions</b>														
<b>A. Energy</b>														
1. Alternative motor vehicle credit for heavy hybrids (sunset 12/31/10).....	ppa 12/31/09	-3	-3	-1	-1	[1]	[2]	[2]	--	--	--	--	-8	-8
2. Incentives for biodiesel and renewable diesel:														
a. Biodiesel (sunset 12/31/10).....	fsoua 12/31/09	-726	-268	--	--	--	--	--	--	--	--	--	-994	-994
b. Renewable diesel (sunset 12/31/10).....	fsoua 12/31/09	-10	-4	--	--	--	--	--	--	--	--	--	-14	-14
3. Credit for electricity produced at open-loop biomass facilities placed-in-service before 10/22/04 (sunset 12/31/10).....	epasa 12/31/09	-54	-36	-7	-4	-3	-1	--	--	--	--	--	-105	-105
4. Extend placed-in-service date for refined coal and steel industry fuel (sunset 12/31/10 for facilities placed-in-service after 12/31/09).....	fpisa 12/31/09	-3	-6	-6	-6	-6	-6	-6	-6	-6	-7	-5	-33	-63
5. Period of incurring qualified expenditures for purposes of credit for production of low sulfur diesel fuel for small refiners in compliance with Environmental Protection Agency sulfur regulations for small refiners (sunset 12/31/10).....	[3]	-11	-7	-1	-1	[1]	[2]	[2]	[2]	[2]	[2]	[2]	-20	-20
6. Placed in service date for eligibility for tax credit for the production of coke or coke gas (sunset 12/31/10).....	fpisa 12/31/09	-3	-5	-5	-5	-3	--	--	--	--	--	--	-21	-21
7. Credit for construction of energy efficient new homes (sunset 12/31/10).....	ppisa 12/31/09	-23	-17	-6	-6	-5	-4	-4	-1	--	--	--	-61	-66
8. Incentives for alternative fuel and alternative fuel mixtures (excluding liquified hydrogen) (sunset 12/31/10).....	fsoua 12/31/09	-148	-48	--	--	--	--	--	--	--	--	--	-196	-196
9. Special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities (sunset 12/31/10).....	ta 12/31/09	-221	-88	49	49	49	49	49	49	17	--	--	-113	--

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
10. Extension of suspension of 100 percent-of-net-income limitation on percentage depletion for oil and natural gas from marginal properties (sunset 12/31/10).....	tyba 12/31/09	-67	-36	---	---	---	---	---	---	---	---	---	-103	-103
11. Grants for energy efficient appliances in lieu of credit [4].....	api 2009 & 2010	-68	-2	---	---	---	---	---	---	---	---	---	-69	-69
12. Modify the requirements for exterior windows, doors, and skylights to be eligible for the credit for nonbusiness energy property (sunset 12/31/10)...	ppisa DOE DOE &	---	-145	---	---	---	---	---	---	---	---	---	-145	-145
13. Extend and modify section 45 credit for steel industry fuel (sunset 12/31/10).....	fpa 10/1/08	-13	-15	-16	---	---	---	---	---	---	---	---	-44	-44
B. Individual Tax Relief														
1. Deduction for certain expenses of elementary and secondary school teachers (sunset 12/31/10).....	tyba 12/31/09	-43	-172	---	---	---	---	---	---	---	---	---	-215	-215
2. Additional standard deduction for State and local real property taxes (sunset 12/31/10).....	tyba 12/31/09	-233	-1,318	---	---	---	---	---	---	---	---	---	-1,551	-1,551
3. Deduction of State and local general sales taxes (sunset 12/31/10).....	tyba 12/31/09	-218	-1,288	-294	---	---	---	---	---	---	---	---	-1,800	-1,800
4. Contributions of capital gain real property made for qualified conservation purposes (sunset 12/31/10).....	cmi tyba 12/31/09	-23	-60	-22	-17	-14	-12	-10	-8	-8	-8	-8	-148	-190
5. Deduction for qualified tuition and related expenses (sunset 12/31/10).....	tyba 12/31/09	-300	-1,201	---	---	---	---	---	---	---	---	---	-1,501	-1,501
6. Tax-free distributions from IRAs to certain public charities from age 70 1/2 or older, not to exceed \$100,000 per taxpayer per year (sunset 12/31/10).....	Dmi tyba 12/31/09	-175	-187	-24	-25	-26	-28	-29	-31	-33	-34	-35	-465	-627
7. Look-thru of certain regulated investment company ("RIC") stock in determining gross estate of nonresidents (sunset 12/31/10).....	dda 12/31/09	---	---	---	---	---	---	---	---	---	---	---	---	---
8. Election for refundable low-income housing credit for 2010 [4].....	DOE	-3,072	-1,232	281	435	504	521	523	523	523	523	482	-2,563	11
C. Business Tax Relief														
1. Tax credit for research and experimentation expenses (sunset 12/31/10).....	apioia 12/31/09	-2,195	-1,522	-483	-425	-374	-329	-291	-274	-265	-256	-236	-5,328	-6,650
2. Indian employment tax credit (sunset 12/31/10).....	tyba 12/31/09	-17	-23	-7	-1	---	---	---	---	---	---	---	-48	-48
3. New markets tax credit (sunset 12/31/10).....	cyba 12/31/09	-15	-55	-161	-181	-204	-219	-219	-196	-145	-9	3	-834	-1,401
4. 50% tax credit for certain expenditures for maintaining railroad tracks (sunset 12/31/10).....	epoid tyba 12/31/09	-66	-99	[1]	[1]	---	---	---	---	---	---	---	-165	-165
5. Extension of mine rescue team training credit (sunset 12/31/10).....	tyba 12/31/09	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1

No Revenue Effect

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
6. Employer wage credit for activated military reservists (sunset 12/31/10).....	pma 12/31/09	-1	-2	-1	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-4	-4
7. 5-year recovery period for certain farming business machinery or equipment (sunset 12/31/10).....	ppisa 12/31/09	-113	-228	-164	-156	-178	41	377	334	87	---	---	-798	---
8. 15-year straight line cost recovery for qualified leasehold, restaurant and retail improvements and new restaurant buildings (sunset 12/31/10).....	ppisa 12/31/09	-145	-410	-528	-522	-513	-489	-475	-479	-466	-443	-380	-2,608	-4,851
9. 7-year recovery period for certain motorsports entertainment complexes (sunset 12/31/10).....	ppisa 12/31/09	-11	-18	-11	-6	-3	-4	-4	1	6	6	6	-52	-38
10. Accelerated depreciation for business property on Indian reservations (sunset 12/31/10).....	ppisa 12/31/09	-107	-186	-69	15	51	80	65	35	4	-7	-4	-216	-123
11. Enhanced charitable deduction for contributions of food inventory (sunset 12/31/10).....	cma 12/31/09	-43	-35	---	---	---	---	---	---	---	---	---	-78	-78
12. Enhanced charitable deduction for contributions of book inventory (sunset 12/31/10).....	cma 12/31/09	-17	-14	---	---	---	---	---	---	---	---	---	-31	-31
13. Enhanced charitable deduction for qualified computer contributions (sunset 12/31/10).....	cni tyba 12/31/09	-107	-88	---	---	---	---	---	---	---	---	---	-195	-195
14. Extension of election to expense advanced mine safety equipment (sunset 12/31/10).....	ppisa 12/31/09	-8	-2	3	2	2	1	1	1	[2]	[2]	[2]	-4	-2
15. Special expensing rules for qualified film and television productions (sunset 12/31/10).....	qatpca 12/31/09	-54	-108	12	26	18	15	13	11	9	7	5	-91	-46
16. Expensing of Brownfields environmental remediation costs (sunset 12/31/10).....	epoia 12/31/09	-201	-124	19	22	25	23	20	18	15	13	12	-236	-158
17. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico (sunset 12/31/10).....	tyba 12/31/09	-84	-101	---	---	---	---	---	---	---	---	---	-185	-185
18. Modify tax treatment of certain payments under existing arrangements to controlling exempt organizations (sunset 12/31/10).....	proaa 12/31/09	-17	-3	---	---	---	---	---	---	---	---	---	-20	-20
19. Exclusion of gain or loss on sale or exchange of certain Brownfield sites from unrelated business taxable income (sunset 12/31/10).....	paa 12/31/09	1	1	-1	-17	-18	-3	-3	-3	-3	-3	-3	-37	-54
20. REIT timber provisions including mineral royalties treated as qualified REIT income of timber REITs; treatment of REIT timber gain; and prohibited transactions safe harbor rules (sunset 12/31/10).....	tyea 5/22/09	---	---	---	---	---	---	---	---	---	---	---	---	---
21. Treatment of certain dividends of regulated investment companies (sunset 12/31/10).....	[5]	-12	-72	---	---	---	---	---	---	---	---	---	-84	-84
22. Extend the treatment of RICs as "qualified investment entities" under section 897 (FIRPTA) (sunset 12/31/10).....	1/1/10	-5	-5	---	---	---	---	---	---	---	---	---	-10	-10

----- Estimate Included in Item I.C.25 -----

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
23. Exception under Subpart F for active financing income (sunset 12/31/10).....	tyba 12/31/09	-945	-2,978	—	—	—	—	—	—	—	—	—	-3,923	-3,923
24. Look-thru treatment of payments between related CFCs under foreign personal holding company income rules (sunset 12/31/10).....	tyba 2009	-135	-439	—	—	—	—	—	—	—	—	—	-574	-574
25. Reduction in corporate rate for qualified timber gain (sunset 12/31/10).....	5/23/09	-110	-36	-20	-28	-27	-27	-11	-2	-1	-1	-1	-246	-261
26. Basis adjustment to stock of S corporations making charitable contributions of property (sunset 12/31/10).....	omi tyba 12/31/09	-11	-11	-1	-2	-2	-2	-2	-2	-2	-2	-2	-29	-39
27. Empowerment zone tax incentives (sunset 12/31/10).....	tyba 12/31/09	-203	-103	8	2	1	—	-2	-1	-2	-2	-2	-295	-304
28. Tax incentives for investment in the District of Columbia (sunset 12/31/10).....	tyba 12/31/09	-59	-17	-3	-2	-1	-2	-4	-2	-2	-4	-4	-84	-101
29. Renewal community tax incentives (sunset 12/31/10).....	tyba 12/31/09	-259	-274	-87	-46	-3	-3	-2	-1	1	—	—	-672	-675
30. Increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands; (sunset 12/31/10) [6].....	abiUSa 12/31/09	-102	-26	—	—	—	—	—	—	—	—	—	-128	-128
31. Economic development credit for American Samoa (sunset 12/31/10).....	tyba 12/31/09	-6	-12	—	—	—	—	—	—	—	—	—	-18	-18
32. Election to temporarily utilize unused minimum tax credits [7].....	tyba 12/31/09	-160	-3,032	167	142	120	102	87	74	63	53	45	-2,660	-2,337
33. Allow mine safety training credit and election to expense equipment against the AMT (sunset 12/31/10).....	tyba 12/31/09	-1	-1	-1	-1	[1]	[1]	[1]	—	—	—	—	-6	-6
D. Temporary Disaster Relief Provisions														
1. National disaster relief														
a. Waiver of certain mortgage revenue bond requirements following Federally declared disasters (sunset 12/31/10).....	doa 12/31/09	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-11	-21
b. Losses attributable to Federally declared disasters (sunset 12/31/10).....	tyba 12/31/09	-437	-291	—	—	—	—	—	—	—	—	—	-728	-728
c. Special depreciation allowance for qualified disaster property (sunset 12/31/10).....	coa do 12/31/09	-335	-625	-469	-183	-76	-69	-18	97	83	72	65	-1,757	-1,457
d. Net operating losses attributable to Federally declared disasters (sunset 12/31/10).....	lat do 12/31/09	-21	-380	53	57	49	37	28	21	15	12	9	-205	-120
e. Expensing of qualified disaster expenses (sunset 12/31/10).....	coa do 12/31/09	-20	-17	1	1	1	1	1	1	—	—	—	-33	-31

Page 5

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
<b>2. New York Liberty Zone:</b>														
a. Special depreciation allowance for nonresidential and residential real property (sunset 12/31/10).....	ppisa 12/31/09	-33	-10	1	1	1	1	1	1	1	1	1	-39	-34
b. Tax-exempt bond financing (sunset 12/31/10).....	bia 12/31/09	-2	-8	-12	-12	-12	-12	-12	-12	-12	-12	-12	-58	-118
<b>3. GO Zone:</b>														
a. Remove limitation on basis qualifying for GO Zone additional depreciation allowance.....	ppisa 12/31/09	-41	-68	-26	-1	1	2	3	4	4	4	4	-133	-114
b. Increase in rehabilitation credit.....	ppisa 12/31/09	-11	-11	[1]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-21	-15
c. Work opportunity tax credit with respect to certain individuals affected by Hurricane Katrina for employees inside disaster areas (sunset 8/27/10).....	iha 8/27/09	-6	-1	[1]	[1]	[1]	[1]	---	---	---	---	---	-7	-7
e. Extend placed in service deadline for low income housing tax credit building in the GO Zone (sunset 12/31/12).....	ppisa 12/31/10	---	-8	-29	-40	-40	-40	-40	-40	-40	-40	-40	-157	-357
f. Expand the election for the refundable low-income housing credit for 2010 and the election for the low-income housing grant election for 2009 to the GO Zone and the Midwestern disaster area and Hurricane Ike disaster areas [4] [8].....	[9]	-1,131	-353	108	161	161	161	161	161	161	161	161	-893	-91
g. Extend tax-exempt bond financing in the GO Zone (sunset 12/31/11).....	bia DOE	---	-7	-26	-39	-39	-39	-39	-39	-39	-39	-39	-151	-348
<b>4. Midwestern disaster areas:</b>														
a. Extension of special rules for use of retirement funds.....	[10]	-14	-9	[1]	-1	[1]	[1]	[1]	[1]	[1]	-1	-1	-25	-27
b. Extension of exclusion of certain cancellation of indebtedness income.....	apola 12/31/09	-1	-1	---	---	---	---	---	---	---	---	---	-2	-2
c. Extend the special allowance for certain Kansas disaster property (sunset 12/31/10).....	ppisa 12/31/09	-25	-14	-1	[2]	[2]	1	1	1	1	1	1	-39	-34
Extension of Expiring Provisions.....		-12,700	-17,966	-1,782	-817	-566	-256	157	233	-36	-17	20	-34,088	-33,735
<b>II. Revenue Provision Contained in Unemployment Insurance, Health, and Other Provisions - Extend COBRA Subsidy Eligibility Period to December 31, 2010 [4] [11].....</b>														
	[12]	-4,685	-4,144	-1,140	-60	42	26	16	6	1	---	---	-9,962	-9,939

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
<b>III. Pension Funding Relief [4] [13]</b>														
A. Provide Temporary Defined Benefit Plan Funding Relief for Single-Employer Plans														
1. Extended period for defined benefit plans to amortize certain shortfall amortization bases.....		110	778	1,595	1,523	858	467	238	-135	-1,006	-1,743	-1,380	5,331	1,305
2. Application of extended amortization period to plans subject to prior law funding rules.....	pyba 12/31/07													
3. Lookback for benefit accrual restriction.....	[14]													
4. Lookback for Credit Balance Rule for Plans Maintained by Charities.....	[15]													
B. Provide Temporary Defined Benefit Plan Funding Relief for Multiemployer Plans														
1. Adjustments to funding standard account rules; reporting clarification.....	[16]													
	[17]	9	34	56	79	99	117	134	132	99	40	-2	394	797
<b>Total of Pension Funding Relief .....</b>		<b>119</b>	<b>812</b>	<b>1,651</b>	<b>1,602</b>	<b>957</b>	<b>584</b>	<b>372</b>	<b>-3</b>	<b>-907</b>	<b>-1,703</b>	<b>-1,382</b>	<b>5,725</b>	<b>2,102</b>
<b>IV. Offset Provisions</b>														
A. Black Liquor														
1. Exclusion of unprocessed fuels from the cellulosic biofuel producer credit.....	fsoua DOE	--	5,452	6,137	5,247	2,930	1,465	419	--	--	--	--	21,231	21,650
2. Prohibition on alternative fuel credit and alternative fuel mixture credit for black liquor.....	fsoua 12/31/09 generally DOE													
B. Increased Reporting Requirements for the Homebuyer Credit.....														
C. Codify Economic Substance Doctrine and Impose Penalties for Underpayments.....	teia DOE	74	347	450	512	543	556	568	582	597	613	630	2,483	5,474
D. Increase Information Return Penalties.....	irrtbfo/a 1/1/11	--	30	41	42	42	43	43	43	44	45	47	197	419
E. Clarify That Bad Check Penalty Applies to Electronic Checks and Other Payment Forms.....	ita DOE	2	4	4	4	5	5	5	5	5	5	5	24	49
F. Application of Levy to Payments to Federal Vendors Relating to Property.....	laa DOE	6	13	13	13	14	14	14	15	15	15	15	73	147
G. Authorize Post-Levy Due Process.....	lia 12/31/10	--	39	37	37	38	39	40	40	41	42	43	189	395
H. Allow Participants in Governmental 457 Plans to Treat Elective Deferrals as Roth Contributions.....	tyba 12/31/10	--	12	17	25	36	48	56	60	69	83	100	138	506
I. Allow Rollovers from Elective Deferral Plans to Roth Designated Accounts.....	DOE	1	2	2	2	3	6	10	15	21	28	37	16	127
J. Require Information Reporting for Rental Property Expense Payments.....	pma 12/31/10	--	[2]	227	239	251	261	275	285	299	314	325	978	2,476
K. Additional Provision - Revision To The Medicare Improvement Fund.....														
<b>Total of Offset Provisions.....</b>		<b>83</b>	<b>5,899</b>	<b>6,928</b>	<b>6,121</b>	<b>3,862</b>	<b>2,437</b>	<b>1,430</b>	<b>1,045</b>	<b>1,091</b>	<b>1,145</b>	<b>1,202</b>	<b>25,329</b>	<b>31,243</b>

Estimate to be Provided by the Congressional Budget Office

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
V. Satellite Television Extension.....	---													
VI. Other Provisions - Increase in the Medicare Physician Payment Update.....	---													
<b>NET TOTAL .....</b>		-17,183	-15,399	5,657	6,846	4,295	2,791	1,975	1,281	149	-575	-160	-12,996	-10,329

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

abiUsa = articles brought into the United States after  
 api = appliances produced in  
 apoia = amounts paid or incurred after  
 bia = bonds issued after  
 cma = contributions made after  
 cmi = contributions made in  
 cyba = calendar years beginning after  
 dda = decedents dying after  
 Dmi - distributions made in  
 doa = disasters occurring after  
 DOE = date of enactment  
 eoao = expenditures on account of

epasa = electricity produced and sold after  
 epoia = expenses paid or incurred after  
 epoid = expenses paid or incurred during  
 fpa = fuel produced after  
 fpisa = facilities placed in service after  
 fsoua = fuel sold or used after  
 iha = individuals hired after  
 irrtbfo/a = information returns required to be filed on or after  
 ita = instruments tendered after  
 laa = levies approved after  
 lia = levies issued after

lat = losses attributable to  
 paa = penalties assessed after  
 pma = payments made after  
 ppa = property purchased after  
 ppisa = property placed in service after  
 pyba = plan years beginning after  
 qfatpca = qualified film and television productions commencing after  
 teia = transactions entered into after  
 tyba = taxable years beginning after  
 tyca = taxable years ending after

[1] Loss of less than \$500,000.														
[2] Gain of less than \$500,000.														
[3] Effective as if included in section 339 of the American Jobs Creation Act of 2004.														
[4] Estimate includes the following outlay effects:														
Grants for energy efficient appliances .....	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20	
Election for refundable low-income housing credit for 2010.....	68	2	---	---	---	---	---	---	---	---	---	69	69	
COBRA.....	3,112	1,334	---	---	---	---	---	---	---	---	---	4,446	4,446	
Expansion of LIHC credit for 2010 and LIHC grant for 2009.....	358	291	591	89	---	---	---	---	---	---	---	1,328	1,328	
Single and multi-employer pension funding provisions .....	1,131	374	---	---	---	---	---	---	---	---	---	1,505	1,505	
[5] Effective for dividends with respect to taxable years of regulated investment companies beginning after December 31, 2009.	---	---	-75	-125	-200	-275	-125	-100	-25	100	150	-675	-675	

[Footnotes for JCX-9-10 appear on the following page]



**Footnotes for JCX-9-10:**

- [10] Effective as if included in the Heartland Disaster Tax Relief Act of 2008.
- [11] Estimate has been updated to reflect enactment of H.R. 4691. Estimate includes interactions with unemployment insurance. Estimates for the rest of this title will be provided by the Congressional Budget Office.
- [12] Generally effective as if included in the American Recovery and Reinvestment Act of 2009.
- [13] Estimates do not include outlay effects that are provided by the Congressional Budget Office as part of Footnote 4.
- [14] Effective as if included in the Pension Protection Act of 2006 (with special rules for eligible charity plans).
- [15] Effective for plan years beginning on or after October 1, 2008 (with special rules for plans with a valuation date other than the first day of the plan year).
- [16] Generally effective for plan years beginning after August 31, 2009, for plans with a valuation date other than the first day of the plan year, effective for plan years beginning after December 31, 2008.
- [17] Generally effective as of the first day of the first plan year beginning after August 31, 2008, with restrictions on certain plan amendments increasing benefits effective as of date of enactment.

## HIRE ACT

Mr. LEVIN. Mr. President, today President Obama signed into law the Hiring Incentives to Restore Employment Act, H.R. 2847, which will help put Americans back to work. More must be done on to help fight the unacceptably high unemployment rate, and I hope we can soon address other factors holding back our recovery, and particularly that we make it easier for businesses to obtain the funds they need to survive and grow.

While we work in Congress to get people back to work, I also want to take a moment to focus on another benefit of today's new law.

The HIRE Act is a significant victory for law-abiding U.S. taxpayers, and a significant blow against those who dodge their responsibilities. The Permanent Subcommittee on Investigations, which I chair, has spent years investigating offshore tax abuses which together cost the federal treasury an estimated \$100 billion in lost tax revenues annually. In addition to its provisions designed to help foster economic growth, the HIRE Act contains foreign account tax compliance provisions that represent a major new and positive development in the efforts to stop offshore banks from using secrecy laws to help U.S. taxpayers evade their taxes.

These offshore tax compliance provisions are the culmination of over a year's worth of study, debate, and drafting efforts to protect America's honest taxpayers. The drafting effort involved a host of Members of Congress from both the Senate Finance Committee and the House Ways and Means Committee, and the work drew upon multiple bills, including the Stop Tax Haven Abuse Act, S. 506, which I introduced with Senators McCASKILL, NELSON, WHITEHOUSE, SHAHEEN, and SANDERS, and which Congressman LLOYD DOGGETT introduced in the House with 67 cosponsors. I would like to commend Senator BAUCUS and Congressman RANGEL, in particular, for leading this drafting effort, and for involving us in producing a strong bill that President Obama is signing into law today.

This is a big bill, and its offshore tax provisions are complex. I want to provide some explanation of how this legislation is intended to work, both to guide the development of implementing regulations and to inform the courts of our legislative intent.

Section 501, "Reporting on Certain Foreign Accounts," gives foreign financial institutions a choice. If those financial institutions hold U.S. investments of any variety—from U.S. treasuries to U.S. stocks and bonds to debt and equity interests in U.S. businesses—they must either pay a 30 percent withholding tax on their investment earnings, or disclose any and all accounts held by U.S. persons. The legislative intent behind this choice is to force foreign financial institutions to disclose their U.S. account holders or pay a steep penalty for nondisclosure. The 30 percent will be withheld by a

withholding agent in the United States before the funds are permitted to exit the U.S. financial system.

The reason for this strong approach was seen dramatically in hearings before the Permanent Subcommittee on Investigations. A July 2008 hearing, for example, showed how two foreign banks, UBS AG of Switzerland and LGT Bank of Liechtenstein, used a variety of secrecy tricks to help U.S. clients open foreign bank accounts and hide millions of dollars in assets from U.S. tax authorities. One 2004 UBS document indicated that 52,000 U.S. clients had Swiss accounts that had not been disclosed to the IRS. UBS estimated that those hidden accounts contained a total of about \$18 billion in cash, securities, and other assets. In order to defer a criminal prosecution against the bank by the U.S. Department of Justice, UBS admitted that it had participated in a scheme to defraud the United States of tax revenues, paid a \$750 million fine, and agreed to stop opening accounts that are not disclosed to the IRS. UBS also agreed to reveal the names of a limited number of U.S. account holders, although the bulk of the 52,000 still may escape U.S. tax enforcement actions due to Swiss secrecy laws that continue to conceal their identities.

In order to avoid the 30 percent withholding tax, this new law will require each foreign financial institution to enter into an agreement with the Secretary of the Treasury to obtain and verify information which will make it possible for them to determine which of their accounts belong to U.S. account holders, report key information about those U.S. account holders, and comply with any request by the Treasury Secretary related to those U.S. accounts. The bill is written to end wide spread abuses. There are several issues that must be addressed in implementing this provision.

For instance, it is clearly intended that the definition of foreign "financial institution" be applied broadly, to include banks, securities firms, money services businesses, money exchange houses, hedge funds, private equity funds, commodity traders, derivative dealers, and any other type of financial firm that holds, invests, or trades assets on behalf of itself or another person.

The definition of "account" will cover not only traditional savings, checking, and securities accounts, but also debt and equity interests in hedge funds, private equity funds, and other types of investment firms.

The definition of "U.S. person" will apply to U.S. citizens, U.S. residents, and all types of U.S. businesses.

The purpose of the provision is to have foreign financial institutions look past the nominal owners of their accounts to identify the true beneficial owners. That means accounts which are held in the name of a foreign legal representative, agent, or trustee on behalf of a U.S. person, or in the name of

a foreign entity, such as an offshore corporation, partnership, or trust, for the benefit of a U.S. person, must be disclosed to U.S. authorities.

Foreign financial institutions are to make use of all customer identification information about each account to determine whether the beneficial owners of the account are U.S. persons—including using all information gathered as a result of antimoney laundering and anticorruption requirements or efforts. So no foreign bank will be able to automatically determine that all foreign offshore shell corporations are foreign account holders; they will have to look deeper to identify that corporation's beneficial owners and, if any beneficial owner is a U.S. person, to report that person's identity to the United States.

This approach is intended to remedy past IRS regulations which have allowed banks to treat all foreign corporations as foreign account holders, no matter who the beneficial owner is. Our purpose here is to impose on foreign financial institutions the duty to identify the beneficial owners of each corporation and report any U.S. beneficial owners to the IRS.

Treasury, in implementing this statute, should develop a standard agreement for foreign financial institutions that lays out these requirements with respect to accounts, U.S. persons, and nominee account holders. That standard agreement must also be constructed in such a way that foreign financial institutions will provide account information in a standardized electronic format that will enable efficient analysis of the data. Treasury should consult with the IRS and the Justice Department's Tax Division to determine how the collected information should be structured to provide timely and usable data in tax enforcement efforts.

The Treasury will need to construct a withholding regime that will efficiently withhold the 30 percent tax on all U.S. investment earnings held by a noncooperative foreign financial institution. This statute will not be effective unless the 30 percent tax is withheld promptly, reliably, and in a comprehensive way. In devising this withholding regime, it is our purpose to apply the term "withholdable payment" broadly to cover all types of payments from sources in the United States, including interest payments, dividends, rents, wages, stock gains, and derivative payments originating in the United States.

Finally, we expect that the Treasury, when exercising authority under the bill to grant exceptions or waivers or deem foreign financial institutions to be in compliance with the law, will exercise that authority narrowly and in a fashion that is consistent with the purposes of the statute and will promote disclosure of foreign accounts with U.S. account holders.